Where proposals do not adequately justify to the Grant Officer's satisfaction the costs to be incorporated into the grant, the cost limitations that shall be applied shall be those specified in section 315 of the Act and described in paragraphs (a), (b) and (c) of §631.14 of this part.

§631.63 Reporting.

(a) Grantees under part B of title III of the Act shall submit reports as prescribed by the Secretary.

(b) Significant developments. Grantees shall notify the Secretary of developments that have a significant impact on the grant or subgrant supported activities, including problems, delays, or adverse conditions which may materially impair the ability to meet the objectives of the project. This notification shall include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.

§ 631.64 General administrative re quirements.

(a) Activities under this subpart may be carried out and funding provided directly to grantees other than States.

(b) All grantees and subgrantees under this subpart that are States or substate grantees are subject to the provisions in part 627 of this chapter.

(c) For grantees other than States and substate grantees, the following provisions shall apply to grants under this subpart.

(1) Grievance procedures. (i) Each grantee shall establish and maintain a grievance procedure for grievances or complaints about its programs and activities from participants, subgrantees, subcontractors, and other interested persons. Hearings on any grievance shall be conducted within 30 days of filing of a grievance and decisions shall be made not later than 60 days after the filing of a grievance. Except for complaints alleging fraud or criminal activity, complaints shall be made within one year of the alleged occurrence.

(ii) Grantees shall be subject to the provisions of section 144 of the Act, and 29 CFR part 95 or 97, as appropriate.

(iii) If the grantee is already subject to the grievance procedure process and requirements established by the Governor (*i.e.*, through another JTPA grant, subgrant, or contract), its adherence to that procedure shall meet the requirements of this paragraph (c)(1).

(2) Uniform Administrative Standards. Grantees shall be subject to the standards and requirements described in 29 CFR part 95 or 97, as appropriate, as well as any additional standards prescribed in grant documents or Secretarial guidelines. If the grantee/ subgrantee is already subject to additional standards established by the Governor (i.e., through another JTPA grant, subgrant, or contract), its adherence to those standards shall meet the requirements of this paragraph (c)(2).

§ 631.65 Special provisions for CAETA and DDP.

(a) Allowances for Job Search Outside the Commuting Area under CAETA. Allowances for job search outside the commuting area shall be an allowable activity under CAETA, only where it has been determined that the dislocated worker cannot reasonably be expected to secure suitable employment within the commuting area in which the worker resides. Procedures for determining whether a dislocated worker cannot reasonably be expected to secure suitable employment within the commuting area in which the dislocated worker resides shall be described in the grant application and shall be subject to approval by the Grant Officer. The cost of job search outside the commuting area shall be an allowable cost, but shall not provide for more than 90 percent of the cost of necessary job search expenses, and may not exceed a total of \$800, unless the need for a greater amount is justified in the grant application and approved by the Grant Officer.

(b) Relocation Allowances under CAETA. Relocation allowances under CAETA shall be allowable only where the eligible dislocated worker cannot reasonably be expected to secure suitable employment in the commuting area in which the worker resides and has obtained suitable employment affording a reasonable expectation of long-term duration in the area in which the worker wishes to relocate, or